15.01.2010	1650	1650	Revised Price Prices will be revised 15th of each month
26.02.2010	1650	2255	MML Tender Price

ಮೈಸೂರು ಮಿನರಲ್ಸ್‌ನಲ್ಲಿ ನಡೆದಿರುವ ಅವ್ಯವಹಾರ

128 (46) ಡಾ: ಹೆಚ್.ಸಿ.ಮಹದೇವಪ್ಪ (ಟಿ. ನರಸೀಪುರ) : ಮಾನ್ಯ ಮುಖ್ಯಮಂತ್ರಿಯವರು ಈ ಕೆಳಕಂಡ ಪ್ರಶ್ನೆಗಳಿಗೆ ದಯವಿಟ್ಟು ಉತ್ತರಿಸುವರೆ?

ಅ) ಕಬ್ಬಿಣದ ಅದಿರಿನ ಗಣಿಗಳಿಗೆ ಸಂಬಂಧಿಸಿದಂತೆ ಮೈಸೂರು ಮಿನರಲ್ಸ್‌ನ ಕೇಂದ್ರ ಕಛೇರಿಯ 3 ಮಂದಿ ಅಧಿಕಾರಿಗಳು ಅವ್ಯವಹಾರದಲ್ಲಿ ಭಾಗಿಯಾಗಿ ಮುಖ್ಯವಾದ ಕಡತವನ್ನು ತಿದ್ದುವ ಮೂಲಕ ಸಂಸ್ಥೆಗೆ ಕೋಟ್ಯಾಂತರ ರೂಪಾಯಿ ನಷ್ಟಕ್ಕೆ ಕಾರಣವಾಗಿರುವುದು ಸರ್ಕಾರದ ಗಮನಕ್ಕೆ ಬಂದಿದೆಯೇ;

ಆ) ಈ ಹಿಂದಿನ ಮೈಸೂರು ಮಿನರಲ್ಸ್‌ನ ಕಾರ್ಯನಿರ್ವಾಹಕ ನಿರ್ದೇಶಕರು ಈ ನಿಟ್ಟಿನಲ್ಲಿ ಆ 3 ಜನ ಅಧಿಕಾರಿಗಳ ಮೇಲೆ ಶಿಸ್ತು ಕ್ರಮ ಕೈಗೊಳ್ಳಲು ಸರ್ಕಾರಕ್ಕೆ ಮತ್ತು ಸಂಸ್ಥೆಯ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರಿಗೆ ವರದಿಯನ್ನು ಸಲ್ಲಿಸಿರುವುದು ನಿಜವಲ್ಲವೇ;

ಇ) ಹಾಗಿದ್ದಲ್ಲಿ, ಈ ಬಗ್ಗೆ ಯಾವ ಕ್ರಮ ಕೈಗೊಳ್ಳಲಾಗಿದೆ (ವರದಿಯ ಅನುಬಂಧಗಳು) ಅವ್ಯವಹಾರದಲ್ಲಿ ಭಾಗಿಯಾದ ಅಧಿಕಾರಿಗಳ ಹೆಸರು ವಿಳಾಸ ನೀಡುವುದು)?

ಶ್ರೀ ಬಿ.ಎಸ್. ಯಡಿಯೂರಪ್ಪ (ಮುಖ್ಯಮಂತ್ರಿಯವರು) :

ಅ) ಸರ್ಕಾರದ ಗಮನಕ್ಕೆ ಬಂದಿರುತ್ತದೆ. ಅಂತಿಮ ನಡವಳಿಯನ್ನು ಹೊರಡಿಸುವಾಗ ಈ ನ್ಯೂನತೆಗಳನ್ನು ಸರಿಪಡಿಸಿಕೊಳ್ಳಲಾಗಿದೆ. ಆದುದರಿಂದ ಸಂಸ್ಥೆಗೆ ಯಾವುದೇ ರೀತಿಯ ಆರ್ಥಿಕ ನಷ್ಟ ಉಂಟಾಗಿರುವುದಿಲ್ಲ.

ಆ) ಹೌದು.

ಇ) ಈ ಗೊಂದಲಕ್ಕೆ ಕಾರಣರಾದವರು ಎನ್ನಲಾದ ಅಧಿಕಾರಿಗಳಿಗೆ ಈಗಾಗಲೇ ಕಾರಣ ಕೇಳುವ ನೋಟೀಸುಗಳನ್ನು ಜಾರಿ ಮಾಡಿ, ಅವರು ಗಳಿಂದ ವಿವರಣೆಯನ್ನು ಪಡೆದು ನಿಯಮಾನುಸಾರ ಕ್ರಮ ಜರುಗಿಸಲಾ ಗುತ್ತಿದೆ. ಅಧಿಕಾರಿಗಳ ವಿವರ ಕೆಳಕಂಡಂತಿವೆ.

ಅಧಿಕಾರಿಗಳ ಹೆಸರು :

1. ಶ್ರೀ ಚಂದ್ರಶೇಖರ್, ಸಹಾಯಕ ಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು, ಪ್ರಧಾನ ಕಛೇರಿ.
2. ಶ್ರೀ ಎಂ.ಜಿ. ಬಸವರಾಜಪ್ಪ, ಕಾನೂನು ಅಧಿಕಾರಿ, ಪ್ರಧಾನ ಕಛೇರಿ.
3. ಶ್ರೀ ಕೆ.ವೈ.ಗೋವಿಂದಪ್ಪ, ಸಹಾಯಕ ವ್ಯವಸ್ಥಾಪಕರು, ಪ್ರಧಾನ ಕಛೇರಿ. ವರದಿಯಲ್ಲಿ ಅವಶ್ಯವಾದ A ಯಿಂದ K ವರಗಿನ ಅನುಬಂಧಗಳ ಪ್ರತಿಗಳನ್ನು ಅನುಬಂಧ–1 ರಲ್ಲಿ ಒದಗಿಸಿದೆ.

ED. No. GSK/20080919/2008-09/MML dt. 19.9.2008

NOTE:
Ref: No. VIG/160/GEN/2008/2217 dt. 17.9.2008

I had submitted my investigation report to Managing Director on 11.9.2008 stating that there are Annexures A to G But by over sighted had not attached the annexures. You have vide your reference above letter requested me to furnish the Annexures A to G.

Now in furtherance to the report submitted by me I feel that there is a necessity to incorporate and strengthen more information and additional Annexures as it is a must to bring in the full evidence with proof. The Total annexures now added is from A,B,C,D,D(a),E,F,G,H,I,J,K, & L, I am herewith furnishing copy of the same as under:

This report is an additional-strengthened investigation report with incorporated annexures. Total pages of the investigation report & annexures are 58.

Sl. No.	Annexure No.	Description	No.of Pages
1	A	Copy of the Board Agenda No. 19 – Restoration of mining operations at JIOM	4
2	B	Note sheet of MD for circulation to the officers	1
3	C	Note sheet of the undersigned recording objections	1
4	D	Letter of MD vide No. MML/MKT/KSL/RCS/171/07-08 dt. 4.3.2008	2
5	D(A)	Letter of M/s Kalyani Steels Limited to MD, MML	2
6	E	Agreement of Interim Arrangement	2
7	F	Para No. 49 of Note sheet 17	1
8	G	Para No. 45 of Note sheet 16	1
9	H	Draft Agreement containing 1 to 13 pages	13
10	I	Draft Agreement containing 1 to 10 pages	10
11	J	WP No. 1504/07 (GM) Note Sheet No.5	1
12	K	WP No. 1504/07 (GM) Note Sheet No. 11 & 12	2
13	L	Para 17, Page 5 of MML/80/ VIG/OP 2008	1
	Total		**41**

This report may alone be served upon the concerned as list of documents for the imputation of charges. My earlier investigation report which had annexure A to G may not be

attached/ served as documents of imputation. This may please be noted specifically for strict compliance. Kindly acknowledge the receipt of the same.

AGENDA ITEM No. 19

RESTORATION OF MINING OPERATION AT JAMBUNATHANAHALLI IRON ORE MINES.

The Company had entered into an agreement with M/s. Mukand Limited and Kalyani Ferrous Industries Limited now known as Kalyani Steels Limited on 03.05.2003 for raising and marketing of Iron Ore at Jambunathanahalli Iron ore Mine respectively for a period of there years and extendable thereafter for a further period of Seven years and there after for further period mutually agreed between the parties. As the term of the agreement entered by and between the parties expired on 02-05-2006, the Company had issued notices to M/s. Mukand Limited and M/s. Kalyani Steels Limited informing them of termination of the contracts. Upon receipt of the Company's notices, M/s. Mukand Limited had filed an application before the Additional City Civil Court and M/s. Kalyani Steels Limited had filed a writ petition before the Hon'ble High Court of Karnataka challenging the Company's decision in terminating the contracts. The City Civil Court after hearing both the parties, had dismissed their application negating their arguments and ordered that the agreements could not be extended unilaterally and it has to be done with mutual agreement and further extension under force majeure could not be considered because prior notice was not given to the Company in terms of the agreement. The Court while issuing above order, has directed the Company not to dispossess M/s. Mukand Limited from the mining area and the Company shall not carryout mining activities until disposal of the disputes.

Aggrieved by the above orders, the Company preferred an appeal before the Hon'ble High Court of Karnataka against the orders of City Civil Court on the grounds that the agreement contains arbitration clause 17 wherein M/s. Kalyani Steels Limited ought to have exhausted its alternate remedy by invoking arbitration proceedings seeking appropriate relief under the provision of Arbitration and Conciliations Act, 1996 and so also clause 2 of the agreement clearly mention that the agreement shall remain in force for a period of 3 years and extendable thereafter for a period of 7 years and thereafter for further period of mutually agreed between the parties and hence M/s. Kalyani Steels Limited cannot claim the extension should be by mutual consent by the both the parties and if the agreements contemplated a minimum lease period is 10 years then the words "extendable thereafter for a further period of seven years and as mutually agreed between the parties "would be completely redundant.

While things stood thus, M/s. Mukand Limited vide their letters, dated 09.05.2006 and 09.06.2006 had requested the Company for appointment of Justice S. Venkataraman (Retired) as the sole Arbitrator to preside over the arbitration in respect of the dispute between M/s. Mukand Limited and the Company. The company had agreed their proposal for appointment of Justice S. Venkataraman (Retired) as the sole Arbitrator vide letter dated 20.06.2006. Upon receipt of the Company's letter of acceptance for the appointment of Arbitrator, the arbitration resumed its sittings. The Marketing Contractors have filed their claim statements and the Company has filed its counter claim statements before the Arbitrator. The Contractor has also filed an interim application before the Arbitration praying to restore mining operation at Jambunathanahalli Iron ore Mine. The Arbitrator while disposing the interim application field by M/s. Mukand Limited

has passed an interim order dated 13.12.2007 directing the parties to resume marketing activities as agreed to as Interim arrangement fixing the selling price at Rs.1,200/- PMT subject to final decision of the Arbitrator.

In compliance of the Arbitral award and subsequent proceedings of the meeting held on 20.02.2008 between the parties, an agenda was placed before the Board. The Board in its 264th Meeting held on 12.11.2007 has resolved authorizing the C & M D of the Company (a) to negotiate with M/s. Kalyani Steels Limited for the best price and accept basic price over Rs. 1200 PMT, Ex-Mine and not less than additional Rs.600 PMT by way of Bank guarantee in favour of the Company for the period ending 31st July 2008 or till the decision of the Arbitrator / Court order, as the case may be, whichever is earlier. (b) to commence operation of Jambunathanahali Iron ore mines immediately (c) to take such other steps and actions as many be necessary in that regard in the best interest of the Company and without any further changes to the existing terms and conditions thereof:

Accordingly, the Company has addressed a letter dated 04.03.2008 to M/s. Kalyani Steel Limited covering the following points to confirm their acceptance to take further course of action.

a) The interim period will be form the date of signing of agreement and up to 31.07.2008 or till the passing of the award by the Arbitrator / Court order, whichever is earlier.
b) The raising cost for raising of iron ore during the interim period and payable to M/s. Mukand Limited will be Rs. 188/- PMT.

c) The selling price (Basic Price) during the interim period for sale of calibrated ore to M/s. Kalyani Steels Limited is Rs. 1,200/-PMT. The price is Ex-mine and it is excluding royalty, It on Royalty, Cass, Way permits charges and other applicable taxes.

d) MML to get additional amount at Rs.700/- PMT + applicable taxes on the sale of Calibrated ore during the interim period in the form of Bank guarantee, which shall invoked by MML in case the arbitral award/Court order goes in favour of MML.

e) The price fixed by the Arbitrator for the interim period at Rs. 1200/- PMT. Will be the final selling price, if the arbitration award goes in favour of M/s. Kalyani Steels Limited subject to further appeals at the discretion of MML. However, The interim period will be part of the extended period.

f) The FDT @ 8% shall be levied on the selling price if the Court Orders upheld the Government Notifications.

In response, M/s. Kalyani Steel Limited have confirmed their acceptance in toto vide their letter dated 10.03.2008.

Upon receipt of their confirmation, the Company has drafted two separate agreements for raising and marketing duly incorporating the above points for the interim period extending the term of the Agreements up to 31.07.2008. In the process, the time allowed for the interim period i.e. 31.07.2008 is already elapsed.

The subject matter is, therefore, placed before the Board for discussion and decision for extension of the term of the interim agreements for a further period of four months from the

date of signing of the agreements or till the decision of the Arbitrator/ Court order, whichever is earlier.

****

ಮೈಸೂರು ಖನಿಜ ನಿಯಮಿತ

MML : BRD: 268 BM-08-09 **2008-09**

1) Draft minutes of 268th Board once ting hold on 18.08.2008 is put up for optional.
25/8/2008.

2) (co), Secretary (c),):
Mcas de Coulended 25/8/08.
As for MD's Tindueron.

3) AGM(EQ) / CFA/ CMVO/ ED/

4) (a) The board note at Item No: 19,
@ Prefers the minimums and maximum salting pries of calibrates are as Rs: 1200/- and Rs: 1900/- of the case lufere the arbitrator and if the result goes against and for MML respectfully !

This is in of correct and not is the interest of the company.

If this out of the arbitration goes "RUECOPY" is far our of M/s MML, thus cut cusdet get the maximum paies as the Seltarg price lesspajeer mind the preventing Market Price as the basis for our future sldims, to that extent the boasd resolution mors to be modified & redraffers.

ಮೈಸೂರು ಖನಿಜ ನಿಯಮಿತ

MML : BRD: 268 BM-08-09 2008-09

1) Draft minutes of 268th Board once ting hold on 18.08.2008 is put up for optional.

25/8/2008.

2) (co- Secretary (c),):
Mcas de Coulended 25/8/08.
As for MD's Tindueron.

3) AGM(EQ) / CFA/ CAVO/ ED/

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Mysore Minerals Limited

(Government of Karnataka Undertaking)

Regd: Office : 39, Mahatma Gandhi Road, Bangalore – 560 001.

Telex: 0845-2432 Fax: 080-25583172 Grams: "My mineral" Phone : 25580373, 25580374, 25580375.

NO. MML/MKT/KSL/RCS/171/2007-08/ 04.03.2008

The Director,
M/s. Kalyani Steels Limited,
82, "Star Avenue'
Nadidurg Road,
BANGALORE – 560 046.
Fax (080) 23431043.

Sir,

Sub: Restoration of Mining operation at Jambunathanahalli Iron ore Mines – Marketing contract for the interim Period.

Ref: 1. Circular resolution No. 249 dated 22.02.2008 of MML Board.
2. Order dated 13.12.2007 of the Arbitrator

In compliance with the decision taken by MML Board, Through Circular resolution No. 249 and the order by the Arbitrator dated 13.12.2007 in fixing selling price for calibrated ore at Rs 1200 PMT, Company has considered, restoration of mining operation at JIOM, as an interim arrangement. The interim arrangement is subject to settlement of dispute, which is before the Arbitrator at present.

1) The interim period will be from the date of signing of the agreement and up to 31.07.2008 or till the award by Arbitrator / Court Order, whichever is early.

2) The selling price for sale of calibrated ore during the interim period will be at Rs. 1200 PMT. The price is Ex-Mine and it is excluding royalty, IT on Royalty, Cess, way permits charges and other applicable taxes.

Mysore Minerals Limited

(Government of Karnataka Undertaking)

Regd: Office : 39, Mahatma Gandhi Road, Bangalore – 560 001.

Telex: 0845-2432 Fax: 080-25583172 Grams: "Mymineral" Phone : 25580373, 25580374, 25580375.

: 2 :

3) MML to get additional amount at Rs. 700 PMT,+ applicable taxes on the sale of Calibrated ore during the interim period in the form of Bank, Guarantee which shall invoked by MML in case the arbitral award / Court order goes in favour of MML.
4) The selling price fixed by the Arbitrator for the interim period at Rs. 1200 PMT, will be selling price during the interim period only, If the arbitration award goes in favour of KSl, subject to the matter may be taken in further appeals at the discretion of MML. However, the interim period will be considered as part of the extended period.
5) The raising cost for raising of Iron ore during the interim period and payable to M/s. Mukand Ltd., Will be Rs. 188 PMT.

Except for the above mentioned terms and conditions at Sl. No. 1 to 5, the terms and conditions of the Marketing Agreement, Company had with M/s. Kalyani Steels Limited on 03.05.2003 Will remain unchanged for the the interim period.

Your acceptance on the above may please be communicated, to take further course of action.

Thanking you,

Yours faithfully,
For MYSORE MINERALS LIMITED

CHAIRMAN AND MANAGING DIRECTOR.

KALYANI STEELS

KSL/MML/JIOM/07-08-020 **10TH March, 2008**

Chairman and Managing Director
Mysore Minerals Limited
39, Mahatma Gandhi Road,
Bangalore – 560 001.

Dear Sir,

Sub:- Restoration of Mining operations at Jambunathanahalli Iron ore Mines.

We are in receipt of your letter under Ref. MML / MKT / KSL / RCS / 171/2007-08/3217 dated 4th March, 2008, thereby confirming restoration of mining operations in

pursuance of an interim order dated 13-12-2007 passed by the Hon'ble Arbitrator.

As desired by you we hereby confirm that the interim arrangement is subject to settlement of dispute, which is before the Arbitrator at present. We are also agreeable for the Following: -

1) The interim period will be from 10th March, 2008 to 31st July, 2008 or till the award by Arbitrator / Court order whichever is earlier.

2) The selling price for sale of calibrated ore during the interim period will be at Rs. 1,200/- per MT. The Price is ex-mine and it is excluding royalty, IT on Royalty, Cess, way permits charges and other applicable taxes.

3) KSL will provide Bank Guarantee at Rs. 700/- per MT plus applicable taxes on the sale of calibrated ore during the interim period. In case the arbitral award / court order goes in favour of MML, MML shall invoke the Bank Guarantee..

4) The selling price fixed by the Arbiitrator for the interim period at Rs. 1200/- per MT, will be selling price during the interim period only. It the arbitration award goes in favour of KSL, subject to the matter may be taken in further appeals at the discretion of MML. However, the interim period will be considered as part of the extended period.

5) The raising cost for raising of iron ore during the interim period and payable to Mukand Ltd will be Rs. 188/- per MT.

6) Except the above, the terms and conditions of the Marketing Agreement between MML and KSL dated 3rd May, 2003 will remain unchanged for the interim period.

Thanking you

Yours faithfully.
For Kalyani Steels Limited

S.M. Kheny
Director

AGREEMENT OF INTERIM ARRANGEMENT

In Compliance of the Arbitral Award of Justice S. Venkataraman in the matter of M/s. Mysore Minerals Limited and M/s. Kalyani Steels Limited in fixing the selling price for calibrated iron ore at Rs.1200/- PMT, and subsequent proceedings of the meeting held on 20-02-2008 between the parties, the Company has considered Starting or mining operation at Jambunathanhalli Iron Ore Mine as an interim arrangement subject to settlement of dispute, which is presently before the Arbitrator.

It is mutually agreed to by and between the parties for stating of mining operation at Jambunathanahalli Iron Ore Mine with the following terms and Conditions:

1. The interim period shall be from the date of signing of the agreement and shall be continued up to 31-07-2008 or till such tie passing of the award by the Arbitrator or Court order as the case may be, whichever is earlier.
2. The Raising Cost for raising of iron ore during the interim period shall be paid at Rs.188/- (Rupees One hundred eighty eight only) PMT to the Raising Contractor.
3. The Marketing Contractor shall pay to the Company during the interim period for sale of calibrated ore @ Rs.1,200/- (Rupee One thousand two hundred only) PMT on ex-mine which excludes Royalty, Cess, way permit charges and other applicable taxes. In addition to this amount, the Marketing Contractor shall also give @ Rs. 700/- PMT + applicable taxes on the sale of Calibrated ore during the interim period in the

form of Bank Guarantee, which shall be invoked by the Company in the event of the arbital award or the Court Order goes in favour of the Company.

4. The selling price fixed by the Arbitrator for the interim period only at Rs. 1200/- PMT will be the final selling price, if the arbitration award goes in favour of the Contractor, subject to further appeals at the discretion of the Company. However, the interim period will be part of the extended period.

For KAYANI STEELS LTD

For MYSORE MINERALS LIMITED

DIRECTOR

CHAIRMAN & MANAGING DIRECTOR

Witnesses :

1)

2)

ಮೈಸೂರು ಮಿನರಲ್ಸ್ ಲಿಮಿಟೆಡ್

ಕಡತ ಸಂಖ್ಯೆ 17 ವರ್ಷ

As desired para No.47 & 48 on the pre note folio No.16, necessary terms have been incorporated in the agreement and put up the revised draft agreement for kind perusal and approval.

52. The raising agreement (omft) sent to prrol obuisim for setting of the agreement and about getting casinu from the front alyit Than offer agreement to be signed pl-awert for the file of raising agreement.

53. Sree 31 only one day lift, M.Male is before Bomy for extern of fine.

54. ಕಂಡಿಕೆ 53 ರಲ್ಲಿ ಆದೇಶಿಸಿರುವಂತೆ ಆಡಳಿತ ಮಂಡಳಿಯ ಸಭೆಯಲ್ಲಿ ಚರ್ಚಿಸಲು ವಿಷಯ ಸೂಚಿಯನ್ನು ತಯಾರಿಸಿ ತಮ್ಮ ಅವಾಗಾಹನೆಗಾಗಿ ಹಾಗೂ ಆದೇಶಕ್ಕಾಗಿ ಮಂಡಿಸಲಾಗಿದೆ.

ಮೈಸೂರು ಮಿನರಲ್ಸ್ ಲಿಮಿಟೆಡ್

ಕಡತ ಸಂಖ್ಯೆ 16 ವರ್ಷ

The issue of F 07 shall be tactual "An understand to be given by the pasty to rimless FOT in ten Inset to High Court passed the order to collect 8% on the sala valne & one material" me abes clauses tobe included in the agreement bran the canlies is haeed offasire. The family be retfered to be galise chion: to prefare as reemak For lind perioad's order.

As directed at para No. 44 & 45, a draft agreement is prepared and placed in the file for kind perusal and approval.

Au/M/ The clause 7 shall change smelt about the undertaking to be obtained. One opreminor corrections may be made, further, disciplines quality should not cover, incest agreement For Lind felt & order.

Pl. Ses. 15 the mlet. Agreements, M/S Huland is inedited who are the roising contrebus.

AGREEMENT

This deed of agreement executed on this day the ____ of May, 2008 by and between Mysore Minerals Limited, a Company incorporated under the provisions of the Indian Companies Act, 1956, and having its registered office at No.39, M.G. Road, Bangalore – 560 001, represented by its Managing Director, hereinafter referred to as the **Company** (which expression shall unless repugnant to the context or meaning there of include its executors, successors and assigns) on the one part,

AND

M/s Kalyani Steel Limited formerly known as Kalyani ferrous Industries Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Corporate Building, Mundhwa, Pune-411 036 represented by its Director, Sri. Shiakumar Kheny, a resident of Bangalore hereinafter referred to as the **Marketing Contractor** (Which expression shall unless repugnant to the context or meaning thereof include its executors, successors and assigns) on the other part.

PREAMBLE :

Whereas the Company had entered into an agreement with M/s. Mukund Limited and Kalyani Ferrous Industries Limited now known as Kalyani Steels Limited on 03-05-2003 for raising and marketing of iron ore / mineral at Jambunathanahalli Iron ore Mine respectively for a period of there years and extendable thereafter for a further period of Seven years and thereafter for further period mutually agreed between the parties. As the term of the agreement entered by and between the parties expired on 02-05-2006, the Company had issued a notices to M/s. Mukund Limited and M/s. Kalyani Steels Limited informing therm of terminating the contract.

Upon receipt of the Company's notices, M/s. Mukund Limited had filed an application before the Additional City Civil Court and also M/s. Kalyani steels Limited had filed a writ petition before the Hon'ble High Court of Karnataka Challenging the Company's decision in terminating the contract. The City Civil Court after hearing both the parties, had dismissed their application negating their arguments and ordered that the agreements could not be extended unilaterally and it has to be done with mutual agreement and further extension under force majeure could not be considered because prior notice was not given to the Company in terms of the agreement. The Court while issuing above order, has directed the Company not to dispossess M/s. Mukund Limited from the mining area and the company shall not carryout mining activities until disposal of the disputes.

Aggrieved by the above orders, the Company preferred an appeal before the Hon'ble High Court of Karnataka against the orders of City civil Court on the ground that the agreement contains arbitration clause 17 wherein M/s. Kalyani Steels Limited ought to have exhausted its alternate remedy by invoking arbitration proceedings seeking appropriate relief under the provision of Arbitration and Conciliation Act, 1996 and so also clause 2 of the agreement clearly mention that the agreement shall remain in force for a period of 3 years and extendable thereafter for a period of. 7 years and thereafter for further period of mutually agreed between the parties and hence M/s. Kalyani Steels Limited cannot claim the extension of further period of seven years was mandatory and any extension should be by mutual consent by the both the parties and if the agreements contemplated a minimum lease period is 10 years then the words "extendable thereafter for a further period of seven years and as mutually agreed between the parties" would be completely redundant.

While things stood thus, M/s. Mukund Limited vide their letters dated 09-05-2006 and 09-06-2006 had requested the Company for appointment of Justice S Venkataraman (Retired) as the sole Arbitrator to preside over the arbitration in respect of the dispute between M/s. Mukund Limited and the Company. The Company had agreed their proposal for appointment of Justice S Venkataraman (Retired) as the sole Arbitrator vide letter dated 20-06-2006. Upon receipt of the Company's letter of acceptance for the appointment of Arbitrator, the arbitration resumed its sittings. The Marketing contractor have filled their claims statements and the Company have filed its counter claim statements before the Arbitrator. The Contractor has also filed an interim application before the Arbitration praying to restore mining operation at Jambunathanahalli Iron ore Mine. The Arbitrator while disposing the interim application filed by M/s. Mukund Limited has passed an interim order dated 13-12-2007 directing the parties to resume marketing activities as agreed to as an interim arrangement fixing the selling price at Rs. 1,200/- PMT subject to final decision of the Arbitrator.

In compliance of the Arbitral award and subsequent proceedings of the meeting held on 20-02-2008 between the parties, the company has considered commencement of mining operation at Jambunathanahalli Iron ore Mine as an interim arrangement subject to the terms and conditions specified herein and accordingly, the Company has addressed a letter dated 04-03-2008 to M/s. Kalyani Stel Limited to confirm their acceptance to take further course of action.

a. The interim period will be from the date of signing of agreement and up to 31-07-2008 or till the passing of the award by the Arbitrator/Court order, whichever is earlier.

b. The raising cost for raising of Iron ore during the interim period and payable to M/s. Mukund Limited will be Rs. 188/- PMT.
c. The selling price (Basic price) during the interim period for sale of calibrated ore to M/s. Kalyani Steels Limited is Rs.1,200/-PMT. The price is Ex-mine and it is excluding royalty, It on Royalty, Cess, Way permits charges and other applicable taxes.
d. MML to get additional amount at Rs. 700/- PMT + applicable taxes on the sale of Calibrated ore during the interim period in the form of Bank guarantee, which shall invoked by MML in case the arbitral award/Court order goes in favour of MML.
e. The price fixed by the Arbitrator for the interim period at Rs. 1200/-PMT, will the final selling price, if the arbitration award goes in favour of M/s. Kalyani Steels Limited subject to further appeals at the discretion of MML. However, the interim period will be part of the extended period.
f. The FDT @ 8% shall be levied on the selling price if the Court Orders upheld the Government Notifications.

In response, M/s. Kalyani Steel Limited vide their letter dated 10-03-2008 have confirmed their acceptance in toto. Hence, this agreements.

It is mutually agreed to by and between the parties for commencing of mining operation at Jambunathanahalli Iron Ore Mine with the following terms and conditions:

1. The expressions:
    a. "Mines" or "Schedule mine / area" schedule land, used in this agreement shall mean and include the entire areas of 51.71 hectares

(127.78 acres) of land in Jambunathanahalli Village, Hospet Taluk, Bellary District. The schedule mine is more fully delineated and demarcated on the plan annexed herewith shows as Schedule – A.

b. Minerals used in this agreement shall mean and include all types and grades of iron ore including calibrated iron ore, BFQ, BHQ, and iron ore fines.
c. "Mining Operations" used in this agreement shall mean explore, develop, excavate, extract, grade, screen, size and stack etc. of iron ore/ minerals from the mine.
d. "Act" means, the Mines Act, 1952 and/ or the Mines and Minerals (Regulation and Development) Act, 1957 (for short MMRD Act).
e. Rules means the Mineral Concession Rules 1960 (for short MCR) and/or Mineral Conservation and Development Rules, 1988 (for short MCDR)

The Company shall during the continuance and subsistence of this agreement exclusively sell and deliver the calibrated iron ore/minerals at pit head or at the place suggested by the Marketing Contractor exclusively to the Marketing Contractor itself or to any other party nominated by the Marketing Contractor and the Marketing Contractor shall buy entire iron ore/minerals (excluding iron ore fines produced by the Company at Jambunathanahalli Iron Ore Mine. It is agreed to by and between the parties that supply of iron ore/ minerals (excluding iron ore fines) at any other place other than pit head by the Company. The Marketing Contractor will bear the

transportation charges. It is further agreed to by and between the parties that the Company shall exclusively sell and deliver the calibrated iron ore minerals extracted generated by the Company at Jambunathanahalli Iron Ore Mine to the Marketing Contractor at the agreed rate under this agreement and under no circumstances, the Company at Jambunathanahall Iron ore Mine to any other 3rd party without any obligation on the part of the Marketing Contractor to purchase the iron ore fines.

PERIOD :

3. The interim period shall be from the date of signing of the agreement and shall be continued up to 31-07-2008 or till such time passing of the award by the Arbitrator or Court order as the case may be, whichever is earlier.

PRICE :

4. The Marketing Contractor shall pay to the Company during the interim period for sale of calibrated ore @ Rs.1,200/- (Rupees One thousand two hundred only) PMT on ex-mine which excludes Royalty, IT on royalty, FDT, Cess, way permit charges and other applicable taxes. In addition to this amount the Marketing contractor shall also give @ Rs. 700/- PMT + applicable taxes on the sale of Calibrated ore during the interim period in the form of Bank Guarantee. Which shall be Invoked by the Company in the event of the arbitral award or the Court Order goes in favor of the Company.

5. The selling price fixed by the Arbitrator for the interim period only at Rs.1200/- PMT will be that final selling price, if the arbitration award goes in favor of the Marketing Contractor, subject to further appeals at the discretion of the Company. However, the interim period will be part of the extended period.

6. The Raising Cost for raising of iron ore during the interim period shall be paid at Rs. 188/- (Rupees one hundred eighty eight only) PMT to the Raising Contractor.

7. The FDT @ 8% shall be levied on the selling price if the Court Orders upheld the Government Notifications. The buyers to give leak undertaking.

8. It is agreed by and between the parties that the royalty, cess etc if any and as applicable payable to Government of India and Government of Karnataka for the iron ore supplied from the Jambunathanahalli Iron Ore Mine shall be paid by the Marketing Contractor directly to the concerned Governments. Through best company.

9. The Company shall submit invoices to the Marketing Contractor for the iron ore / minerals sold and delivered to the Marketing Contractor or his representative on a monthly basis supported by a statement showing the quantity of Iron ore/minerals sold and delivered by the Company and the Marketing Contractor shall maintain and render a separate account of the amounts payable to the Company on monthly basis.

10. Both the parties have agreed that the Iron ore/minerals (excluding iron ore fines) purchased by the Marketing Contractor from the pit head within reasonable time. Further, the Parties mutually agreed that the Company shall not have any right, Interest, or claim over the iron ore/minerals purchased by the Marketing Contractor which is lying at the pits-head and the Marketing Contractor is the absolute and exclusive owner of the calibrated Iron ore/minerals. Further the both purchase morally fared next this a ran shall be appealed to be exclusive quantity by lisps ted 1.5 lack contractor not are quantity before the pit head. In order to maintain uninterrupted supply of Iron ore/minerals by the Company to the Marketing Contractor is entitled to recover/retain and pay all statutory dues and other levies including to the Raising Contractor, the moneys due from the Company in connection with Jambunathanahalli Iron Ore Mine.

11. The Company or its authorized representative whenever required by the Marketing Contractor, shall arrange for and deliver geological permits and any other permits, documents, etc. to the Marketing Contractor and to sign all necessary documents, papers, declarations, forms, returns, applications as well as sale invoices that may be required to be signed by the Company in relation to or concerning this agreement, and for the purpose of enabling the Marketing contractor to buy and take delivery of the Iron ore/mineral and further to transport and resell, if necessary.

12. The Company hereby solemnly declare that it has the right and authority to enter into and execute this agreement with the Marketing Contractor and that the Marketing Contractor is entitled to the undisturbed purchase of the entire quantities of iron ore/minerals so extracted without any interference, interruptions, claim or demand whatsoever from or by the Company or any one claiming under him.

13. The Company solemnly declares and agrees that it shall not sell or otherwise part with or dispose off any or all iron ore/minerals (excluding Iron ore fines) extracted from the mine the mine and the Marketing Contractor shall be exclusive and the only buyer of the entire iron ore/minerals so extracted during the subsistence of this agreement.

14. It is agreed by and between the Parties that the Company shall take delivery of Iron ore fines so extracted and generated from Jambunathanahalli Iron Ore Mine and arrange to sell to any other party or parties without any obligation on the part of the Marketing Contractor to purchase iron ore fines from Jambunathanahalli Iron Ore Mine.

15. Both the parties have mutually agreed that this agreement shall not be unilaterally cancelled.

16. The Parties hereto shall be entitled to the specific performance of the terms and obligations contained herein.

17. The Company shall have no objection to the Marketing Contractor;

a. for the use of yeshawanthapur Railway Station and/ or Tornagallu Railway Station including the storage yard and loading point;
b. to use the existing office premises of the Company at the foot hill in the mine jintly with the deputed designated persons;
c. to draw the electrical line from the Karnataka Electricity company.

ARBITRATION

18. In case of dispute and or differences arising under or in relation to the terms and conditions and interpretation of this agreement or in relation to any matter incidental thereto the small shall referred to arbitration as per the provisions of Indian Arbitration and Conciliation Act, 1996. The venue of the arbitration shall be in the Bangalore and proceedings shall be conducted in English only. The award of the arbitration proceedings shall be binding on the both parties.

FORCE MAJEURE

19. Neither party shall be liable to the other party for any failure to perform or delay in performance of any of its duties or obligations or the terms or provisions of this agreement if and to the extent such inability or delay is caused by or is attributable;

a. act of god, public enemy, fire explosion, drougt, war, riot, sabotage, revolution, incurrection, civil commotion, hostilities, accident, embargo or circumstances of like

or different nature beyond the reasonable control of the failing party;

b. compliance with any order Including Government Legislation, action, direction or order of any court whether now existing of hereafter arising;

c. economic slow down and plant shut down for any reason. In such an event the validity period of this agreement is extended for a period equal to the time duration period/during which such force majeure continues.

d. It is obligatory for non-performing party to give notice in writing to the other party giving the particulars of the occurrence of the force majeure event and it is further obligatory for the non-performing party to give notice to the other party of the cessation of such event of force majeure.

e. during the period of force majeure, no payment shall be made by the Marketing Contractor to the Company.

20. No modifications, alteration, amendment of this agreement or any of its terms or provisions shall be valid or legally binding on the parties unless made in writing and duly executive by all the parties.

21. This agreement constitutes and represents the entire agreement between the parties hereto with regard to the subject matter hereof and all matters dealt with herein and cancels and supercedes all prior arrangements, agreements or understandings, if any, whether oral in writing, between the parties hereto

on the subject matter hereof or in respect of any matters dealt with herein.

22. It is agreed by and between the parties hereto that the agreement is executed at Bangalore and accordingly should any dispute or differences arise out of this agreement or in relation to the interpretation of any terms of this agreement, the same will be exclusively subject to the jurisdiction of the competent courts of law situated in Bangalore.

For KALYANI STEELS LTD

For MYSORE MINERALS LIMITED

(SHIVAKUMAR KHENY)
DIRECTOR

(G.V.KONGAWAD)
MANAGING DIRECTOR

Witness :

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AGREEMENT

This deed of agreement executed on this day the ___ of _____ 2008 by and between Mysore Minerals Limited, a Company incorporated under the provisions of the Indian Companies Act, 1956, and having its registered Office at No.39, M.G. Road, Bangalore – 560 001, represented by its Managing Director, hereinafter referred to as the **Company** (Which expression shall unless repugnant to the context or meaning thereof include its executors, successors and assigns) on the one part,

AND

M/s Kalyani Steel Limited formerly known as Kalyani ferrous Industries Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Corporate Building, Mundhwa, Pune-411 036 represented by its Director, Sri. Shivakumar Kheny, a resident of Bangalore hereinafter referred to the **Marketing Contractor** (Which expression shall unless repugnant to the context or meaning thereof include its executors, successors and assigns) on the other part.

PREMBLE :

Whereas the Company had entered into agreement with M/s. Mukund Limited and Kalyani Ferrous Industries Limited now known as Kalyani Steels Limited on 03-05-2003 for raising and marketing of iron ore/mineral at Jambunathanahalli Iron ore Mine respectively for a period of three years and extendable thereafter for a further period of Seven years and thereafter for further period mutually agreed between the parties. As the term of the agreement entered by and between the parties expired on 02-05-2006, the Company had issued notices to M/s. Mukund Limited and M/s. Kalyani Steels Limited informing them of terminating the contract. Upon,

receipt of the Company's notices, M/s. mukund Limited had field an application before the Additional City Civil Court and also M/s. Kalyani Steels Limited had filed a writ petition before the Hon'ble High Court of Karnataka Challenging the Company's decision in terminating the contact. The City Civil Court after hearing both the parties, had dismissed their application negating their arguments and ordered that the agreements could not be extended unilaterally and it has to be done with mutual agreement and further extension under force majeure could not be considered because prior notice was not given to the Company in terms of the agreement. The Court while issuing above order, has directed the Company, not to dispossess M/s. Mukund Limited from the mining area and the company shall not carryout mining activities until disposal of the disputes.

Aggrieved by the above orders, the Company preferred an appeal before the Hon'ble High Court of Karnataka against the orders of City Civil Court on the ground that the agreement contains arbitration clause 17 wherein M/s. Kalyani steels Limited ought to have exhausted its alternate remedy by invoking arbitration proceedings seeking appropriate relief under the provision of Arbitration and Conciliation Act, 1996 and so also clause 2 of the agreement clearly mention that the agreement shall remain in force for a period of 3 years and extendable thereafter for a period of 7 years and thereafter for further period of mutually agreed between the parties and hence M/s. Kalyani Steels Limited cannot claim the extension of further period of seven years was mandatory and any extension should be by mutual consent by the both the parties and if the agreements contemplated a minimum lease period is 10 years then the words "extendable thereafter for a further period of seven years and as mutually agreed between the parties "would be completely redundant.

While things stood thus, M/s. Mukund Limited vide their letters dated 09-05-2006 and 09-06-2006 had requested the Company for appointment of Justice S Venkataraman (Retired) as the sole Arbitrator to preside over the arbitration in respect of the dispute between M/s. Mukund Limited and the Company. The Company had agreed their proposal for appointment of Justice S Venkataraman (Retired) as the sole Arbitrator vide letter dated 20-06-2006. Upon receipt of the Company's letter of acceptance for the appointment of Arbitrator, the arbitration resumed its sittings. The Marketing Contractor have filed their claims statements and the Company have filed its counter claim statements before the Arbitrator. The Contractor has also filed an interim application before the Arbitration praying to restore mining operation at Jambunathanahalli Iron ore Mine. The Arbitrator while disposing the interim application filed by M/s. Mukund Limited has passed an interim order dated 13-12-2007 directing the parties to resume marketing activities as agreed to as an interim arrangement fixing the selling price at Rs.1,200/- PMT subject to final decision of the Arbitrator.

In compliance of the Arbitral award and subsequent proceedings of the meeting held on 20-02-2008 between the parties, the company has considered commencement of mining operation at. Jambunathanahalli Iron ore Mine as an interim arrangement subject to the terms and conditions specified herein and accordingly, the Company has addressed a letter dated 04-03-2008 to M/s. Kalyani Steel Limited to confirm their acceptance to take further course of action.

a. The interim period will be from the date of signing of agreement and up to 31-07-2008 or till the passing or the award by the Arbitrator/Court order, whichever is earlier.

b. The raising cost for raising of iron ore during the interim period and payable to M/s. Mukund Limited will be Rs. 188/- PMT.
c. The selling price (Basic price) during the interim period for sale of calibrated ore to M/s. Kalyani Steels Limited is Rs.1,200/- PMT. The price is Exmine and it is excluding royalty, It on Royalty, Cess, Way permits charges and other applicable taxes.
d. MML to get additional amount at Rs. 700/- PMT + applicable taxes on the sale of Calibrated ore during the interim period in the form of Bank guarantee, which shall invoked by MML in case the arbitral award/Court order goes in favour of MML.
e. The price fixed by the Arbitrator for the interim period at Rs. 1200/- PMT, will be selling price, if the arbitration award goes in favour of M/s. Kalyani Steels Limited subject to further appeals at the discretion of MML. However, the interim period will be part of the extended period.
f. The FDT @ 8% shall be levied on the selling price if the Court Orders upheld the Government Notifications.

In response, M/s. Kalyani Steel Limited vide their letter dated 10-03-2008 have confirmed their acceptance in toto. Hence, this agreement.

It is mutually agreed to by and between the parties for commencing of mining operation at Jambunathanahalli Iron Ore Mine with the following terms and conditions:

1. The expressions:

   a. "Mines" or "Schedule mine / area" schedule land, used in this agreement shall mean and include the entire areas of 51.71 hectares (127.78 acres) of land in Jambunathanahalli Village, Hospet Taluk, Bellary District. The schedule mine is more fully delineated and demarcated on the plan annexed herewith shows as Schedule –A.
   b. Minerals used in this agreement shall mean and include all types and grades of iron ore including calibrated iron ore, BFQ, BHQ and iron ore fines.
   c. "Mining Operations" used in this agreement shall mean explore, develop, excavate, extract, grade, screen, size and stack etc. ofiron ore/ minerals from the mine.
   d. "Act" means the Mines Act, 1952 and/or the Mines and Minerals (Regulation nad Development) Act, 1957 (for short MMRD) Act).
   e. Rules means the Minerals Concession Rules 1960 (for short MCR) and/or Mineral Conservation and Development Rules, 1988 (for short MCDR)

2. The Company shall during the continuance and subsistence of this agreement exclusively sell and deliver the calibrated iron ore/minerals at pit head or at the place suggested by the Marketing Contractor exclusively to the Marketing Contractor irself or to any other party nominated by the Marketing Contractor and the Marketing Contractor shall buy

entire iron ore/minerals (excluding) iron ore fines produced by the Company at Jambunathanahalli Iron Ore Mine. It is agreed to by abd between the parties that supply of iron ore /minerals (excluding iron ore fines) at any other place other than pit head by the Company. The Marketing Contractor will bear the transportation charges. It is further agreed to by and between the parties that the Company shall exclusively sell and deliver the calibrated iron ore generated by the Company at Jambunathanahalli Iron Ore Mine to the Marketing Contractor at the agreed rate under this agreement and under no circumstances, the Company shall undertake to sell the iron ore fines so generated at Jambunathanahalli Iron ore Mine to any other 3rd party without any obligation on the part of the Marketing Contractor to purchase the iron ore fines.

PERIOD

3. The interim period shall be from the date of signing of the agreement and shall be continued up to 31-07-2008 or till such time passing of the award by the Arbitrator or Court order as the case may be, whichever is earlier.

PRICE:

4. The Marketing Contractor shall pay to the Company during the interim period for sale of calibrated ore @ Rs. 1,200/- (Rupee One thousand two hundred only) PMT on ex-mine which excludes Royalty, IT on royalty, FDT, Cess, way permit charges and other applicable taxes. In addition to this amount, the Marketing Contractor shall also give @ Rs. 700/- PMT + applicable taxes on the sale of

Calibrated ore during the interim period in the from of Bank Guarantee, which shall be invoked by the Company in the event of the arbitral award or the Court Order goes in favour of the Company.

5. The selling price fixed by the Arbitrator for the interim period only at Rs.1200/- PMT will be the final selling price, if the arbitration award goes in favour of the Marketing Contractor, subject to further appeals at the discretion of the Company. However, the interim period will be part of the extended period.

6. The Raising Cost for raising of iron ore during the interim period shall be paid at Rs. 188/- (Rupees One hundred eighty eight only) PMT to the Raising Contractor.

7. The FDT @ 8% shall be levied on the selling price if the Court Orders upheld the Government Notifications. The Buyers to give an undertaking to this effect.

8. It is agreed by and between the parties that the royalty, cess etc if any and as applicable payable to Government of India and Government of Karnataka for the Iron ore supplied from the Jambunathanahalli Iron Ore Mine shall be paid by the Marketing Contractor to the concerned Governments through the Company.

9. The Company shall submit invoices to the Marketing Contractor for the iron ore / minerals sold and delivered to the Marketing Contractor or his representative on a monthly basis supported by a

statement showing the quantity of iron ore/minerals sold and delivered by the Company and the Marketing Contractor shall maintain and render a separate account of the amounts payable to the Company on monthly basis.

10. Both the parties have agreed that the iron ore/minerals (excluding iron ore fines) purchased by the Marketing Contractor from the pit head within reasonable time. Further, the parties mutually agreed that the Company shall not have any right, interest, or claim over the iron ore / minerals purchased by the Marketing Contractor which is lying at the pits-head and the Marketing Contractor is the absolute and exclusive owner of the calibrated iron ore/minerals. Further, both the parties mutually agreed that this agreement shall be applicable to the exclusive quantity raised by the Raising Contractor not the disputed quantity of 1.5 lakh Metric tonnes lying at the pithead. In order to maintain uninterrupted supply of iron ore/minerals by the Company to the Marketing Contractor is entitled to recover/retain and pay all statutory dues and other levies including to the Raising Contractor, the moneys due from the Company in connection with Jambunathanahalli Iron Ore Mine.

11. The Company or its authorized representative whenever required by the Marketing Contractor, shall arrange for and deliver geological permits and any other permits, documents, etc. to the Marketing Contractor and to sign all necessary documents, papers, declarations, forms, returns, application as well as sale invoices that may be required to be

signed by the Company in relation to or concerning this agreement, and for the purpose of enabling the Marketing Contractor to buy and take delivery of the iron ore/mineral and further to transport and resell, if necessary.

12. The Company hereby solemnly declare that it has the right and authority to entire into and execute this agreement with the Marketing Contractor and that the Marketing Contractor is entitled to the undisturbed purchase of the entire quantities of iron ore/minerals so extracted without any interference, interruptions, claim or demand whatsoever from or by the Company or any one claiming under him.

13. The Company solemnly declares and agrees that it shall not sell or otherwise part with or dispose off any or all iron ore/minerals (excluding iron ore fines) extracted from the mine and the Marketing Contractor shall be exclusive and the only buyer of the entire iron ore/minerals so extracted during the subsistence of this agreement.

14. It is. Agreed by and between the Parties that the Company shall take delivery of iron ore fines so extracted and generated from Jambunathanahalli Iron ore Mine and arrange to sell to any other party or parties without any obligation on the part of the Marketing Contractor to purchase iron ore fines from Jambunathanahalli Iron Ore Mine.

15. Both the parties have mutually agreed that this agreement shall not be unilaterally cancelled.

16. The parties hereto shall be entitled to the specific performance of the terms and obligations contained herein.

17. The Company shall have no objection to the Marketing Contractor;

    a. For the use of Yeshawanthapur Railway Station and/ or Tornagallu Railway Station including the storage yard and loading point;
    b. to use the existing office premises of the Company at the foot hill in the mine jointly with the deputed designated persons;
    c. To draw the electrical line from the Karnataka Electricity company.

ARBITRATION

18. In case of dispute and or differences arising under or in relation to the terms and conditions and interpretation of this agreement or in relation to any matter incidental thereto the small shall referred to arbitration as per the provisions of Indian Arbitration and Conciliation Act, 1996. The venue of the arbitration shall be in the Bangalore and proceedings shall be conducted in English only. The award of the arbitration proceedings shall be binding on the both parties.

FORCE MAJEURE

19. Neither party shall be liable to the other party for any failure to perform or delay in performance of any of its duties or obligations or the terms or provisions of this agreement if and to the extent

such inability or delay is caused by or is attributable;

a. act of god, public enemy, fire, explosion, drought, war, riot, sabotage, revolution, insurrection, Civil commotion, hostilities, accident, embargo or circumstances of like or different nature beyond the reasonable control of the failing party;
b. compliance with any order including Government Legislation, action, direction or order of any court whether now existing or hereafter arising;
c. economic slow down and plant shut down for any reason. In such an event the validity period of this agreement is extended for a period equal to the time duration period/during which such force majeure continues.
d. It is obligatory for non-performing party to give notice in writing to the other party giving the particulars of the occurrence of the force majeure event and it is further obligatory for the non-performing party to give notice to the other party of the cessation of such event of force majeure.
e. During the period of force majeure, no payment shall be made by the Marketing Contractor to the Company.

20. No modifications, alteration, amendment of this agreement or any of its terms or provisions shall be valid or legally binding on the parties unless made in writing and duly executive by all the parties.

21. This agreement constitutes and represents the entire agreement between the parties hereto with regard to the subject matter hereof and all matters dealt with herein and cancels and supercedes all prior arrangements, agreements or understandings, if any, whether oral in writing, between the parties hereto on the subject matter hereof or in respect of any matters dealt with herein.

22. It is agreed by an between the parties hereto that the agreement is executed at Bangalore and accordingly should any dispute or differences arise out of this agreement or in relation to the interpretation of any terms of this agreement, the same will be exclusively subject to the jurisdiction of the competent courts of law situated in Bangalore.

For KALYANI STEELS LTD

For MYSORE MINERALS LIMITED

(SHIVAKUMAR KHENY)
DIRECTOR

(G.V.KONGAWAD)
MANAGING DIRECTOR

Witness :

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ಮೈಸೂರು ಖನಿಜ ನಿಯಮಿತ

ಕಡತದ ಸಂಖ್ಯೆ : W.P No. 1504/07 (GM) ಪುಟ: 05 ವರ್ಷ: 2008

ಉಂಟಾಗಿರುವ ಲೋಪದೋಷ ಹಾಗೂ ನಂತರದ ವ್ಯವಹಾರ ಗಳಲ್ಲಿನ ಲೋಪಗಳಿಂದಾಗಿ ಅಂದಿನ ಅಂದರೆ 2004–05ನೇ ಸಾಲಿನಲ್ಲಿ ಉತ್ಪಾದನೆ ಮತ್ತು ಮಾರಾಟ ವಿಭಾಗದ ಮುಖ್ಯ ಅಧಿಕಾರಿಯಾಗಿದ್ದ ಶ್ರೀ ಬಿ.ಟಿ.ಲಕ್ಷ್ಮಣ್, ಮುಖ್ಯ ಪ್ರಧಾನ ವ್ಯವಸ್ಥಾಪಕರು (ನಿವೃತ್ತ) ಇವರಿಗೆ 2–6–08 ರಂದು ನೋಟೀಸ್ ಜಾರಿಗೊಳಿಸಿ ವಿವರಣೆ ಸಲ್ಲಿಸಲು ತಿಳಿಸಲಾಗಿತ್ತು.

ತತ್ಸಂಬಂಧ ಶ್ರೀ ಬಿ.ಟಿ.ಲಕ್ಷ್ಮಣ್ ರವರು ದಿನಾಂಕ: 9–6–08 ರಂದು ಸಲ್ಲಿಸಿರುವ ವಿವರಣೆಯನ್ನು ಕಡತದಲ್ಲಿ ಮಾಹಿತಿಗಾಗಿ ಸಲ್ಲಿಸಲಾಗಿದೆ. ವಿವರಣೆಯಲ್ಲಿ ಪ್ರಕರಣವು 2004–05ನೇ ಸಾಲಿಗೆ ಸೇರಿದ್ದು ಸಂಬಂಧಪಟ್ಟ ದಾಖಲಾತಿ ಇರುವುದಿಲ್ಲ. ಎಂ.ಬಿ.ಯು ಸಹಿಮಾಡಿರುವುದು ಅಂದಿನ ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರ ಅನುಮೋದನೆ ಮೇರೆಗೆ ಗಣಿಕಾಯ್ದೆ ನಿಯಮ ಗಳಡಿಯಲ್ಲಿ ಸಹಿ ಮಾಡಿರುವುದಾಗಿ ತಿಳಿಸುತ್ತಾ ನಿವೃತ್ತ ವಯೋಮಿತಿಗನು ಗುಣವಾಗಿ 30–06–2007 ರಂದು ನಿವೃತ್ತಿ ಹೊಂದಿರುವುದರಿಂದ CDPR ನಿಯಮದಡಿಯಲ್ಲಿ ನೋಟೀಸ್ ವಿರುದ್ಧವಾಗಿರುವುದಾಗಿ ತಿಳಿಸುತ್ತಾರೆ.

ಮುಂದುವರೆದಂತೆ ಉತ್ತರ ಸಮಂಜಸ ಇಲ್ಲದಿದ್ದಲ್ಲಿ ದಾಖಲಾತಿ ಒದಗಿಸಿದಲ್ಲಿ ಉತ್ತರಿಸುವ ಬಗ್ಗೆ ಕಾನೂನು ಅಭಿಪ್ರಾಯ ಅಥವಾ ನ್ಯಾಯಬದ್ಧ ಮೊರೆ ಹೊಂದುವ ಬಗ್ಗೆ ವ್ಯಕ್ತಪಡಿಸಿರುತ್ತಾರೆ.

ತಮ್ಮಗಳ ಅವಗಾಹನೆಗಾಗಿ ಹಾಗೂ ಆದೇಶಕ್ಕಾಗಿ ಕೋರಿ ಮಾಡಿಸಿದೆ.

19 ಮುಆ&ಬಾರ್ಕೆ/) E.D. ಅವರ ಅವಗಾಹನೆಗೆ ಹಾಗೂ ಸೂಕ್ತ ಮಾರ್ಗದರ್ಶನಕ್ಕಾಗಿ ಮಂಡಿಸಿದೆ

20 E/D.
ಸತ್ಯ ಅಂಶ ಹೊರ ಬೀಳಬೇಕಾದರೆ, ಈ ಇಡೀ Case ನ್ನು C.O.D ತನಿಖೆಗೆ ಗುರಿಪಡಿಸುವುದು.

20) ಮು.ಆ&ಜಾ)

14. As per the kind Orders of C&MD at Para No.7, on the Pre-Note Follo No.9, and as suggested by CA&VO at Para No.8(3) on the Pre-Note folio No.10, it is proposed to initiate action who had initiated to enter into a Memorandum of understanding with M/s. RBSSN by misquiding the top Management by inviting the dispute in entering into a MOU with M/s. RBSSN on 16-07-2004 by the then Agent and General Manager of the Company.

15. It may be mentioned here that based on the MOU, mining operation was carried out M/s. RBSSN right up to the common boundary which was not at all warranted. Had we not entered into an MOU with M/s. RBSSN on the aforesaid date for amicable settlement of the boundary line to work right up to the common boundary, the reef ore adjoining the boundary would have been remained intact till such time we arrived at an amicable settlement at the disputed boundary. Since, we have agreed and entered into an MOU with M/s. RBSSN in writing, M/s. RBSSN chosen and misused by taking undue advantage to excavate the rich potential reef deposit of iron ore lying in between the boarder by taking shelter of the MOU to their convenience, jeopardizing the interest of the company and causing huge pecuniary loss to the Company in terms of crores of rupees

16. In view of the foregoing facts, it is suggested to initiate disciplinary proceedings against Sri, B.T.Lakshman, the then Agent and General Manager of the Company who had initiated to enter into an MOU with.

ಮೈಸೂರು ಖನಿಜ ನಿಯಮಿತ

ಕಡತದ ಸಂಖ್ಯೆ : W.P No. 1504/07 (GM) ಪುಟ: 12 ವರ್ಷ: 08

17. Further, it is suggested to direct the present Agent and DGM(p) of the company to followup action as had already been suggested at Para No. 1,2, and 3 on the Pre-Note Follo No. 7 & 8 to prevent further encroachment of the boundary line.
18. CA&V/O
    To Propose action to be tution after Examing all the issues.
19. E./D
    The them CMD had costly apmoud implamity the permission srantes by DMS as per sales are cost & allow overlappies at any Cost. Mou Entered into lay the Siguatory is coutrary to this.
    Humen Legislatary action may be pemitrator against the omcuswar signatory.
    (b) Actions las alssory been for joint survey call correspovermes now is the eustoory of the Agent.
    (c) The Sustion of with drowal of mou does not aricl as its percoos las already exposes. Loredver-

    ___ When the story has been cluster lay lie vfou High Court.

ಮೈಸೂರು ಖನಿಜ ನಿಯಮಿತ

ಕಡತದ ಸಂಖ್ಯೆ : MML/80/VIG/DD ಪುಟ: 05 ವರ್ಷ: 08

17. Sri B.T.Lakshman, has submitted his reply to the Memorandum of Article of Charges issued to him vide No. 785 dated 02.06.2008 on 09.06.2008 and same is placed in the file for kind perusal.

In his reply he has stated that, the allegation relate backs to the year 2004-05 which is not supported by any documents. That the notice is contrary to the provisions of the MML Officers / employees conditions of service (conduct and disciplinary proceedings) Rules, Hence, the above provision is not applicable to his case for the reason that, he has already attained the age to superannuation and retired from Mysore Minerals Limited on 30.06.2007.

He also state that, the MOU is signed with the approval of the then Managing Director as per the provisions of Mines Act : MCDR and MMRD Act. This is applicable to work in the common boundary with the permission of DGMS. GOI. The common boundary buffer zone is only 7.5 mts each to be maintained all along the common boundary and not 120 mts. If the encroachment is 120 mts. It is a boundary dispute and not the common boundary problem and this can be solved by arranging Joint Survey with the help of a team of our surveyor, forest department surveyor, Mines and Geology surveyor and Revenue surveyor.

Further, he has alleged against Sri M.G.Basavarajappa, Law Officer and legal adviser of MML at Hospet that, there is a hand in glow with the adjacent owner M/s RBSSN and creating this problem by way of their blackmailing tactics.

Further he has stated that, If his explanation is not satisfactory to the Management, he has requested to furnish some documents in this connection to enable him to take legal opinion either to reply to the alleged charges or to approach the Hon'ble High Court of Karnataka for questioning the initiation of disciplinary proceedings against him.

For kind perusal and orders please.

ಗುಲ್ಬರ್ಗಾ ಜಿಲ್ಲೆಯಲ್ಲಿ ಲೈಂಸ್ಟೋನ್ ಮೈನಿಂಗ್‌ಗೆ ಬಂದಿರುವ ಅರ್ಜಿಗಳು

129 (318) ಡಾ. ಶರಣ ಪ್ರಕಾಶ ರುದ್ರಪ್ಪ ಪಾಟೀಲ್ (ಸೇಡಂ) : ಮಾನ್ಯ ಮುಖ್ಯಮಂತ್ರಿಯವರು ಈ ಕೆಳಕಂಡ ಪ್ರಶ್ನೆಗಳಿಗೆ ದಯವಿಟ್ಟು ಉತ್ತರಿಸುವರೆ?

ಅ) ಗುಲ್ಬರ್ಗಾ ಜಿಲ್ಲೆಯಲ್ಲಿ ಲೈಂಸ್ಟೋನ್ ಮೈನಿಂಗ್ ಗೋಸ್ಕರ ಪಿಎಲ್/ಎಮ್‌ಎಲ್‌ಗೆ ಬಂದಿರುವ ಅರ್ಜಿಗಳೆಷ್ಟು, ಅವು ಯಾವುವು (ಸ್ಥಳ ಹಾಗೂ ಕಂಪನಿಗಳ ವಿವರ ನೀಡುವುದು);

ಆ) ಈ ಪ್ರಸ್ತಾವನೆಯಲ್ಲಿ ಮಂಜೂರು ಮಾಡಿರುವ ಅರ್ಜಿಗಳು ಯಾವುವು, (ಗ್ರಾಮಗಳ ಹೆಸರು ಮತ್ತು ವಿಸ್ತೀರ್ಣದ ವಿವರ ಒದಗಿಸುವುದು);

ಇ) ಮಂಜೂರು ಮಾಡದೇ ಇರುವ ಅರ್ಜಿಗಳೆಷ್ಟು (ಗ್ರಾಮಗಳ ಹೆಸರು/ ವಿಸ್ತೀರ್ಣದ ವಿವರ ನೀಡುವುದು)?

ಶ್ರೀ ಬಿ.ಎಸ್.ಯಡಿಯೂರಪ್ಪ (ಮುಖ್ಯಮಂತ್ರಿಯವರು) :

ಅ) ಗುಲ್ಬರ್ಗಾ ಜಿಲ್ಲೆಯಲ್ಲಿ ಲೈಂಸ್ಟೋನ್ ಮೈನಿಂಗ್‌ಗಾಗಿ ಎರಡು ಎಪಿಎಲ್ ಅರ್ಜಿಗಳು ಮತ್ತು 20 ಎಮ್‌ಎಲ್ ಅರ್ಜಿಗಳು ಬಂದಿವೆ (ವಿವರಗಳನ್ನು ಅನುಬಂಧ–1 ರಲ್ಲಿ ನೀಡಿದೆ).

ಆ) ಮೇಲ್ಕಂಡ ಪ್ರಸ್ತಾವನೆಗಳನ್ನು ಒಂದು ಅನ್ವೇಷಣಾ ಲೈಸನ್ಸ್ ಅರ್ಜಿ ಮತ್ತು ಮೂರು ಗಣಿಗುತ್ತಿಗೆ ಅರ್ಜಿಗಳನ್ನು ಪರಿಗಣಿಸಿ ಮಂಜೂರಾತಿ ಅಧಿಸೂಚನೆ ಹೊರಡಿಸಿದೆ (ವಿವರಗಳನ್ನು ಅನುಬಂಧ–2 ರಲ್ಲಿ ನೀಡಿದೆ).

ಇ) ಒಂದು ಅನ್ವೇಷಣಾ ಲೈಸನ್ಸ್ ಅರ್ಜಿ ಮತ್ತು 17 ಗಣಿಗುತ್ತಿಗೆ ಅರ್ಜಿಗಳನ್ನು ಮಂಜೂರು ಮಾಡಿರುವುದಿಲ್ಲ (ವಿವರಗಳನ್ನು ಅನುಬಂಧ–1 ರಲ್ಲಿ ನೀಡಿದೆ).